

# Review of State Budget Allocations



Georgia Tech President G. Wayne Clough

Student Government Association

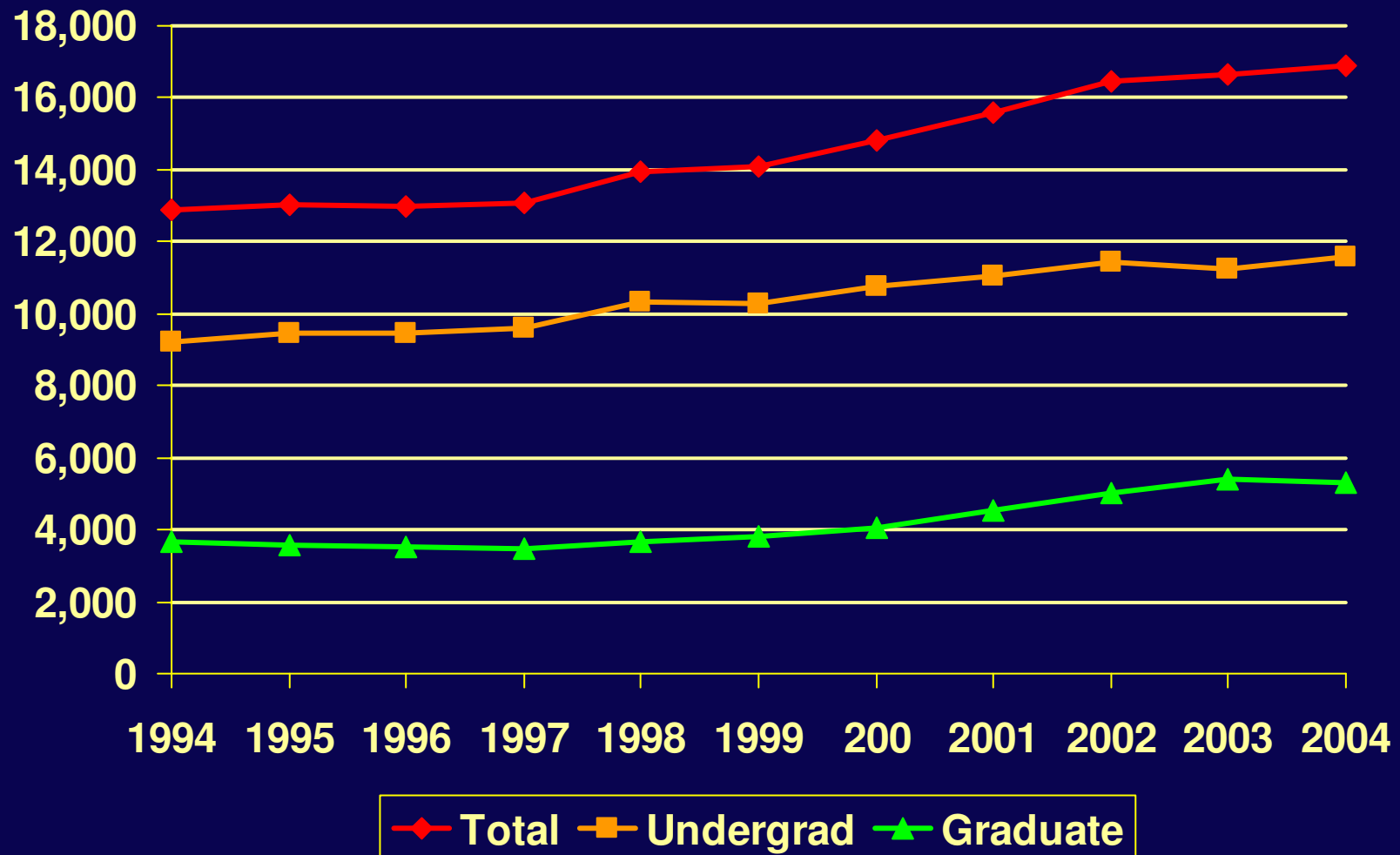
September 28, 2004

# State budget issues



- Governor cut \$170 m from FY 2005 budget
  - University System of Georgia will bear disproportionate share (\$68 m)
  - Georgia Tech's allocation to be reduced by \$8 m
- Unfortunate timing
- Regents consider midyear 10% tuition increase
- Layoffs? Enrollments capped?
- Total GT budget cuts to date, \$51 m
- FY06: formula funding restricted

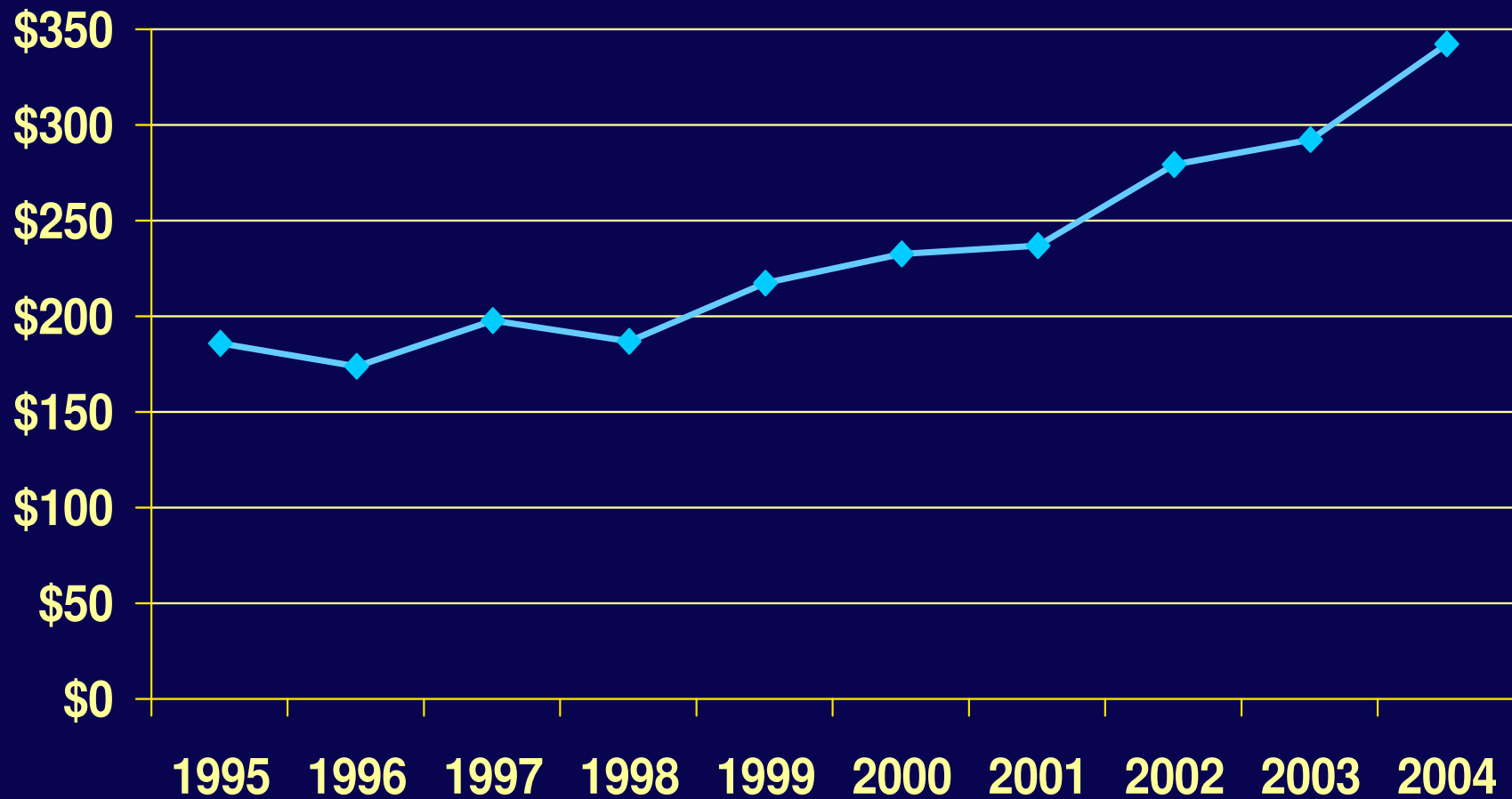
# Fall enrollment



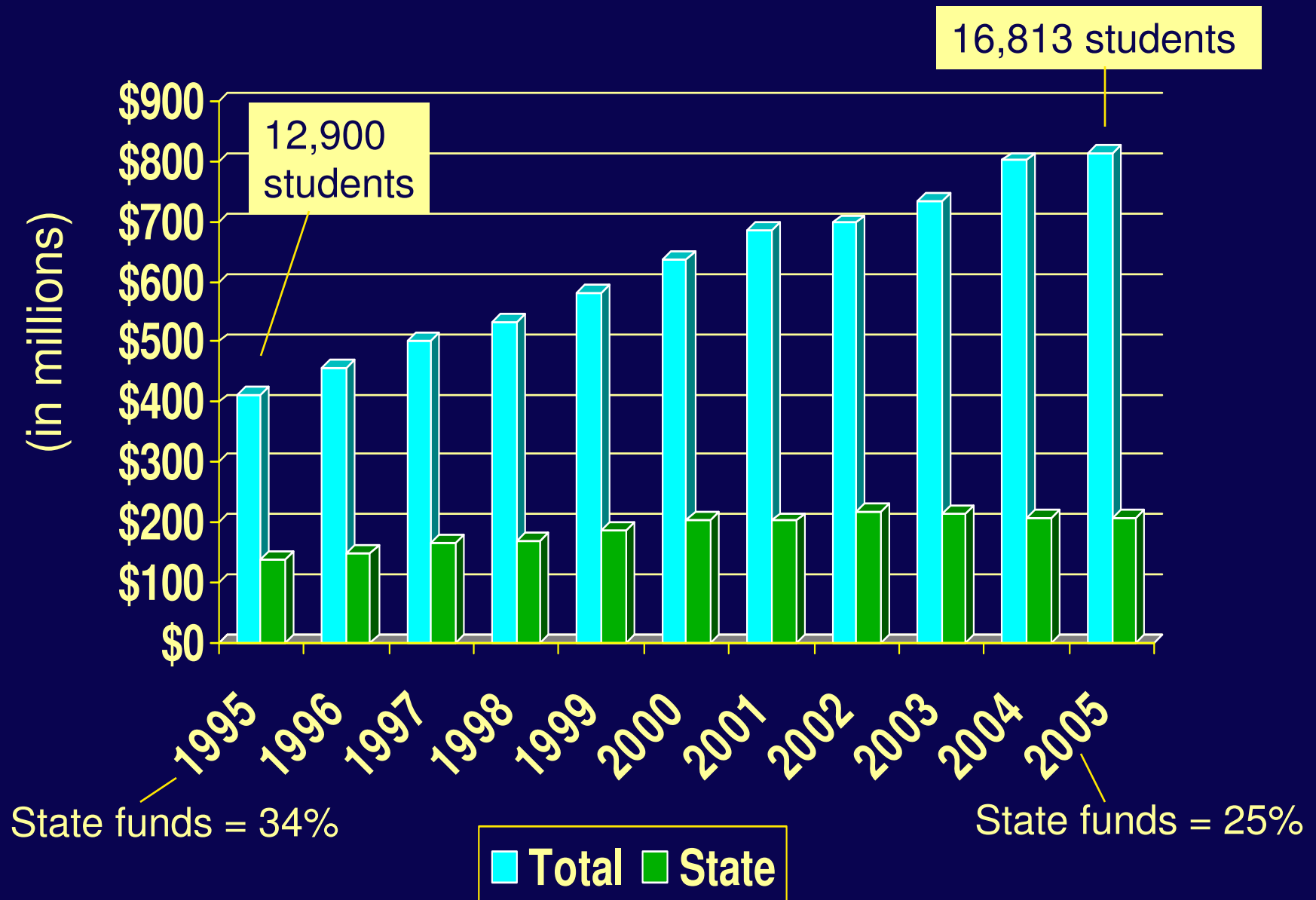
Over 650 students are at other campuses or online

# Research awards

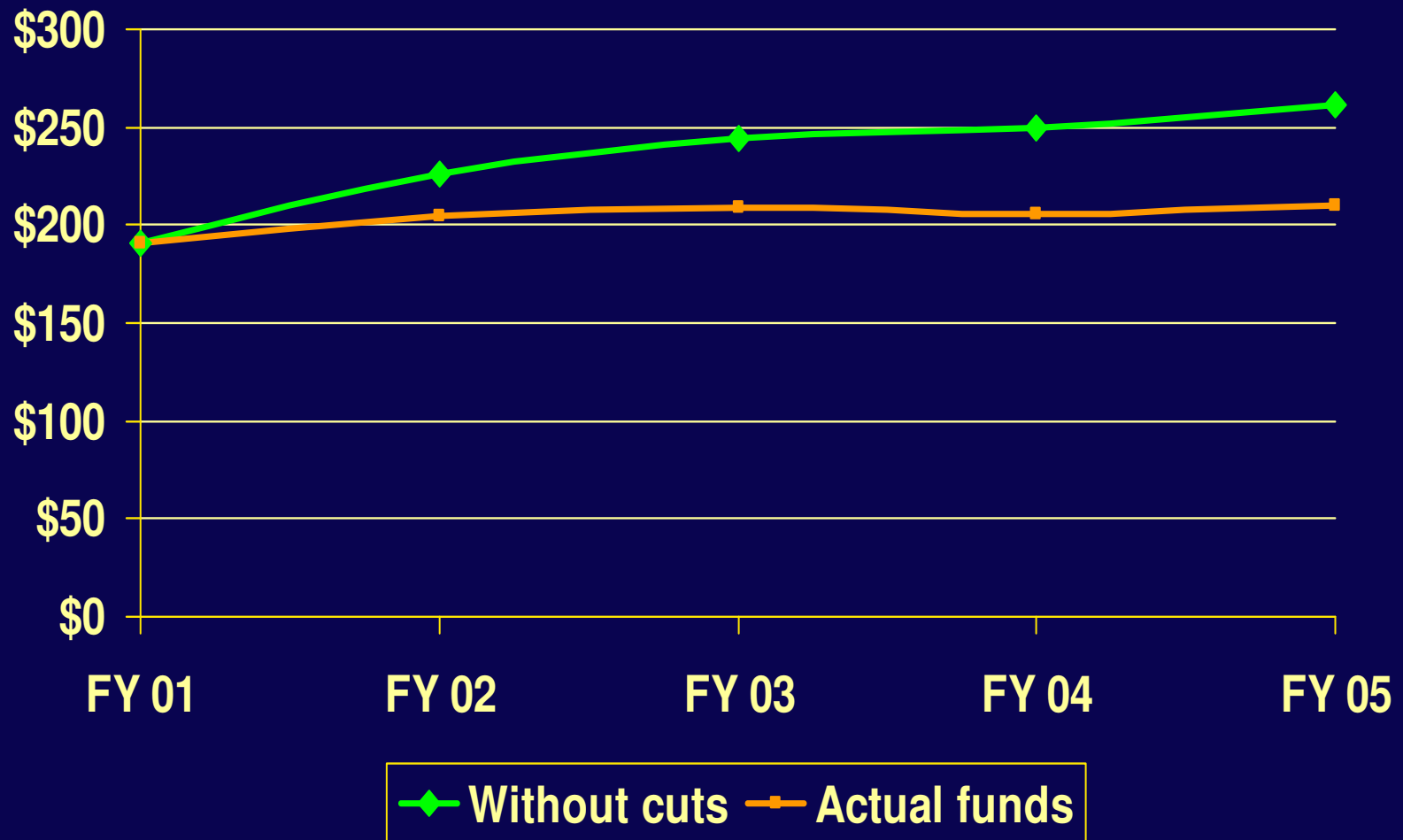
(in millions)



# Budget expenditures



# Lagging state funding



# Tech's instructional budget

(2004-05)

<u>State</u>	<u>Tuition &amp; fees</u>	<u>Other*</u>
\$187 million	\$116 million	\$59 million
(52%)	(32%)	(16%)

\* Gifts, grants, endowment income, income from education-related sales, indirect cost recoveries

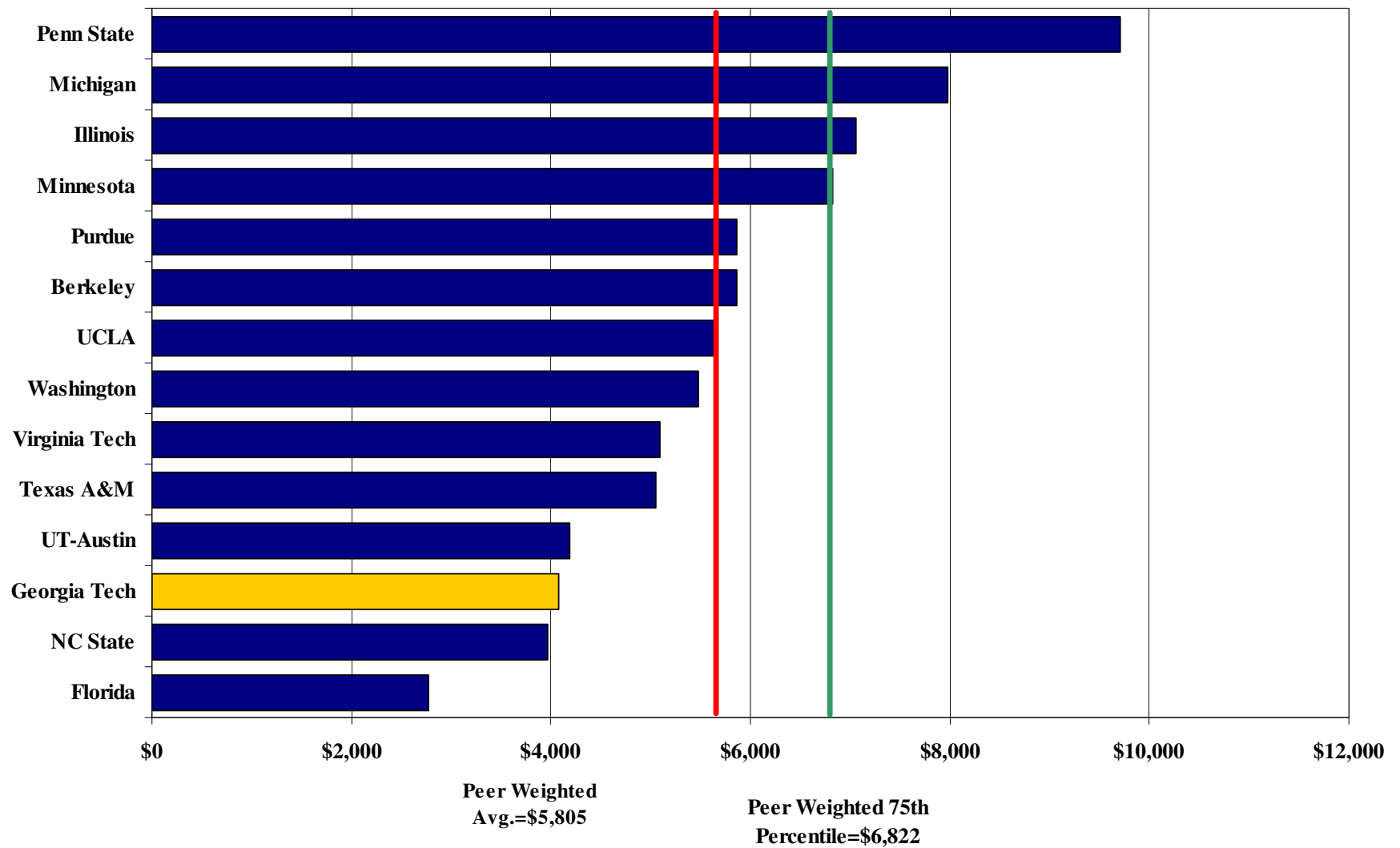
# Student/faculty ratio

Students per faculty

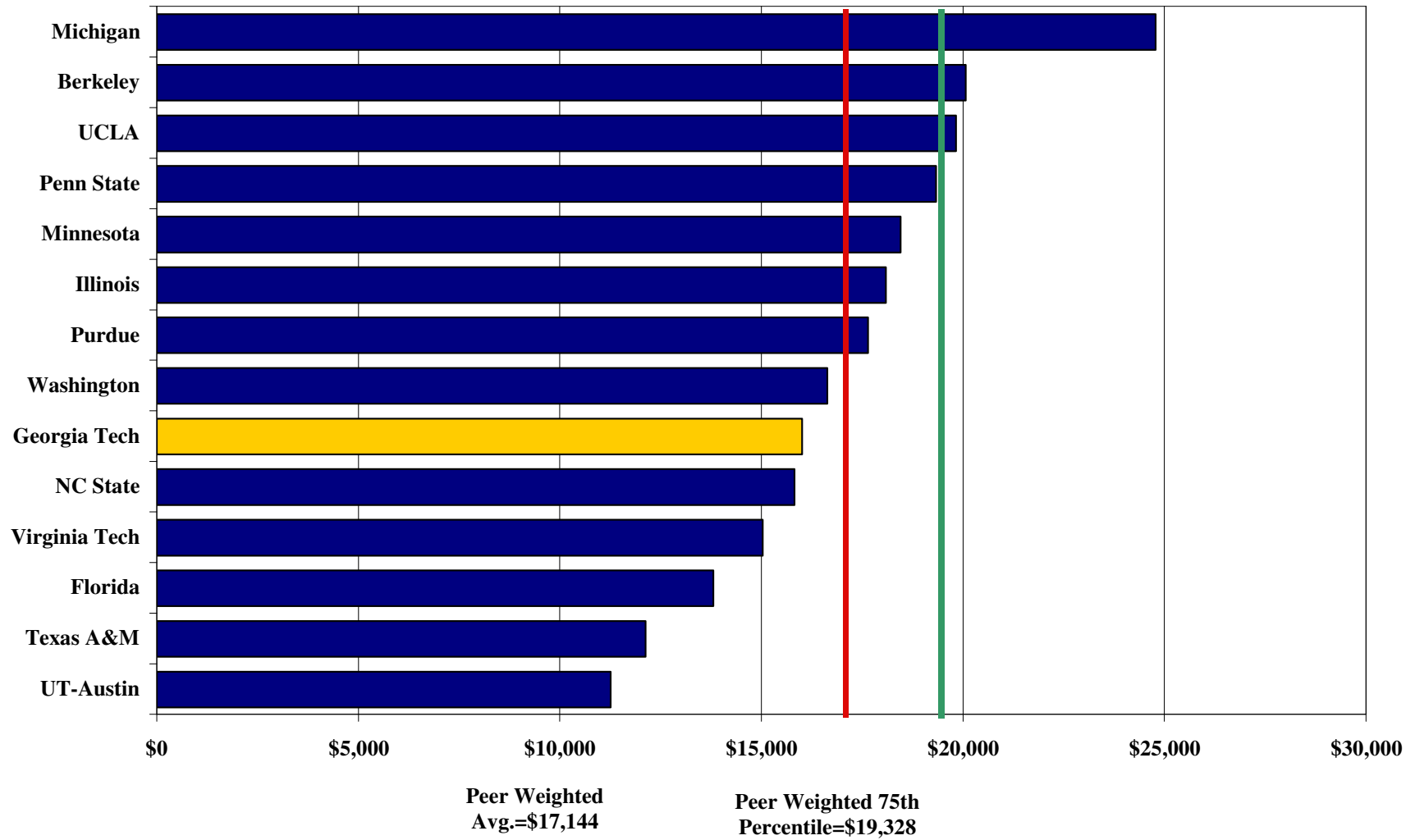




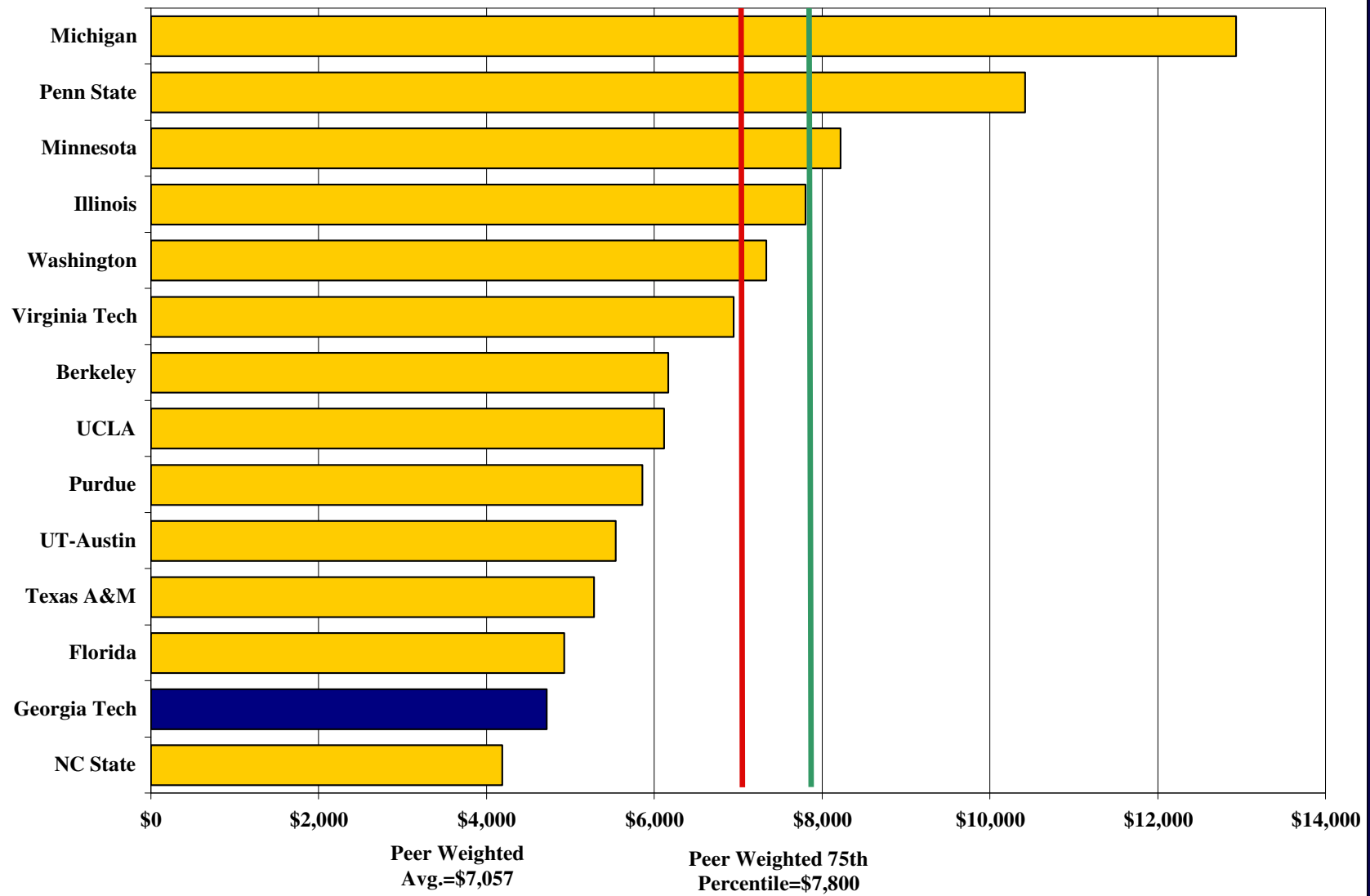
**Public Peer Institutions  
In-State Undergraduate Tuition and Fees  
2003-2004**



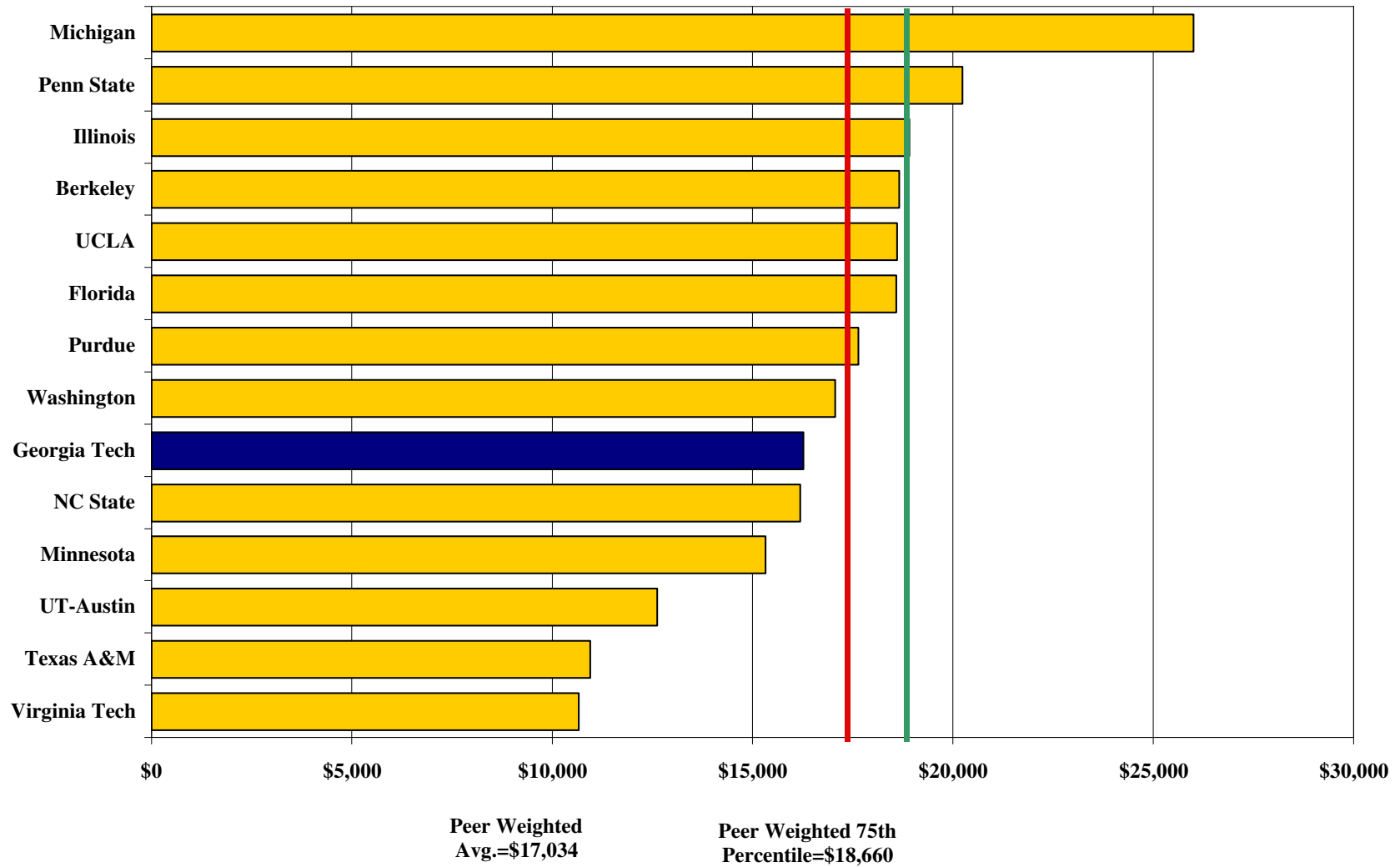
**Public Peer Institutions  
Out-of-State Undergraduate Tuition and Fees  
2003-2004**



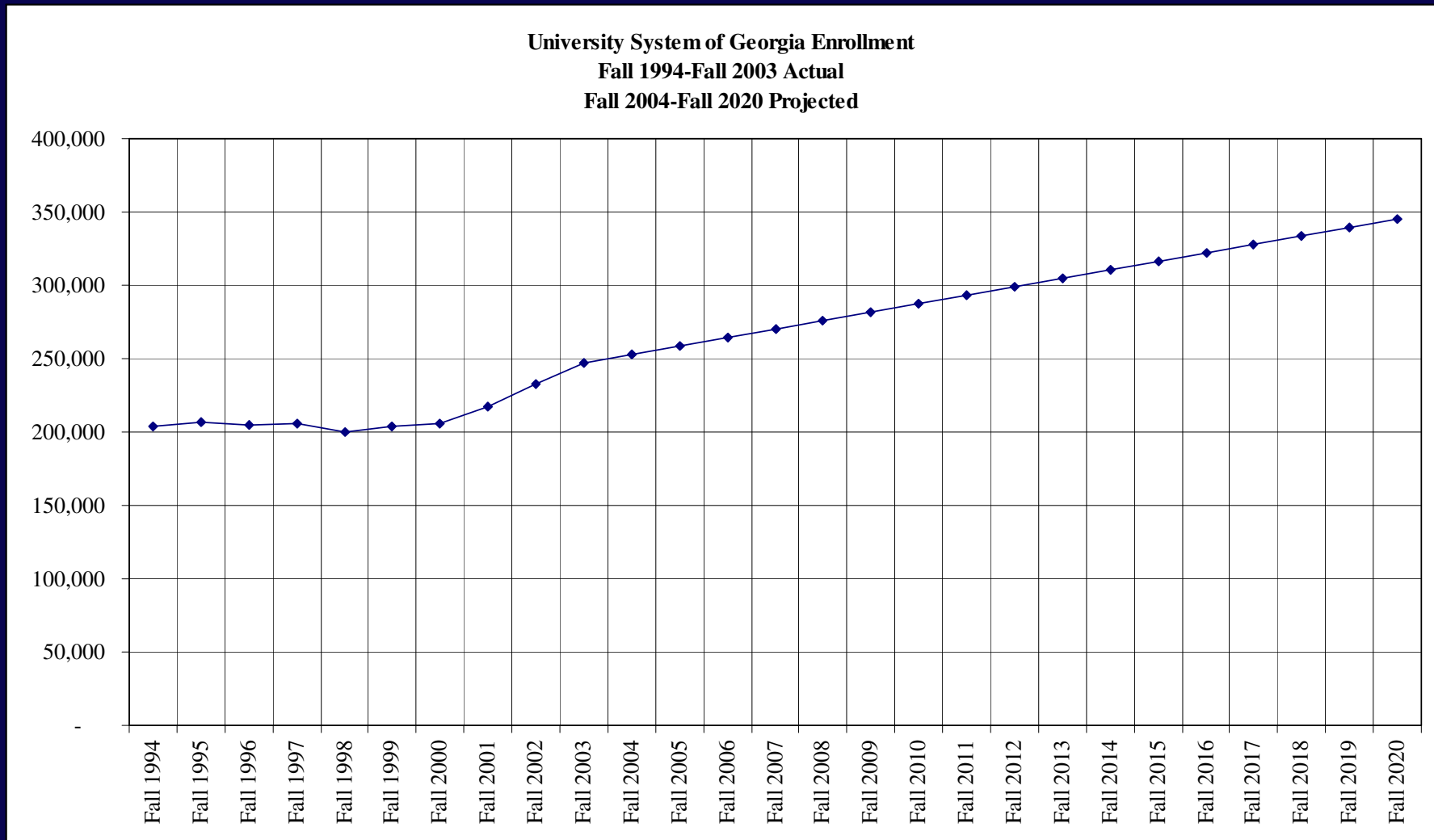
**Public Peer Institutions  
In-State Graduate Tuition and Fees  
2003-2004**



**Public Peer Institutions  
Out-of-State Graduate Tuition and Fees  
2003-2004**



# University System of Georgia Projected enrollment



Source: System Capacity Study Presentation, November 2003

“The choices we make and the solutions we devise must support one key principle – we will maintain and strengthen academic excellence!...

The choice we must make is either to adjust to a funding shortfall or alter policies to compensate. As we consider this choice, let me remind you – quality is our guiding principle...

The choice we must make is we live with the effect of reduced resources on academic quality or we change our tuition policies. Again – quality is the guiding principle.

The choice we must make is to either live with the effects of keeping the doors open to all those prepared for college or revise our policies to reflect the size of the student body we can serve well.”

Chancellor Tom Meredith, USG

“This is our long-term strategy in light of what the state is realistically able to afford:

- Increasing tuition to manage a portion of the funding gap;
- Adjusting student enrollment and admissions to our actual physical and financial capacity to deliver high quality in instruction and research;
- Continuing to find efficiencies and savings whenever possible; and
- Cutting support personnel costs to handle part of the shortfall.”

Chancellor Tom Meredith, USG

# New approaches – some examples

- Generate revenues (GATV, Exec Ed, Royalties, Ownership positions, etc.)
- Get agreement with state to delegate authority for operations, facilities.
- Agree on market value approach for tuition.
- Use 3<sup>rd</sup> party entities to acquire land.
- Work with state to create new approach to fund facilities critical to education, research and economic development.
- Continue to look for cost efficiencies.



# Students shine



11 Alive News photo

President Bush recognizes  
Brandon Gray's volunteer  
work with low-income  
preschoolers

Monique Gupta,  
Churchill  
Scholarship



## Goldwater Scholarships:

Thomas Oliver  
Mark Callaghan



Laurence Ralph,  
Mellon Fellowship in  
Humanistic Studies



Gabe Brostow,  
Marshall Sherfield  
Fellowship



Jia Xu, Marshall  
Scholarship

# Students innovate



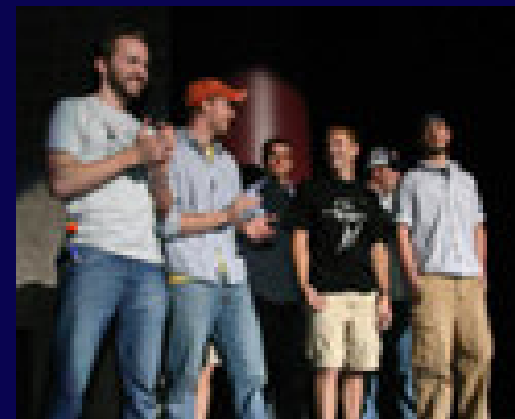
GT Motorsports wins  
Formula SAE in  
Australia



Architecture  
students develop  
and test a  
middle-school  
program in  
design



Computing  
team  
competes in  
international  
programming  
in Prague



“Diametric” wins Campus  
MovieFest, trip to  
Hollywood for students